

Beer - China - December 2020

Report Price: £3695 | \$4995 | €4400

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

This report looks at the following areas:

This report will look at the following areas:

- How has the COVID-19 outbreak impacted the beer market?
- What factors are likely to trigger premiumisation in beer purchases?
- How do brands manage to penetrate beer to more consumption occasions and enlarge the consumer base?
- What can brands do to address consumers' elevating health concern towards beer drinking?
- How to promote beer products more efficiently in the post-outbreak era?

The COVID-19 outbreak has beefed up consumers' in-home beer drinking habits, which means retail sales of beer will still achieve moderate growth both in volume and value terms in 2020. In the long term, Mintel thinks that the market is more likely to be driven by value growth than volume. Consumers' willingness to pay more for quality ingredients is a precious opportunity for brands to trade up their offerings. Another chance lies in the future development of low-calorie hard seltzer, which primarily appeals to young and health-aware consumers.



"A slight pickup in retail volume is attributed to COVID-19, which has bred in-home beer drinking. However, the market's long-term growth will be driven by premiumisation and the good news is that consumers are willing to splurge on beer made from quality malt and hops."

– Wen Yu, Research Analyst

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

Table of Contents

OVERVIEW

- What you need to know
- Key issues covered in this Report
- Report scope
- Excluded

EXECUTIVE SUMMARY

- **The market**
- **Volume growth at the non-retail and retail ends will diverge**
Figure 1: Retail sales volume and forecast of beer, China, 2015-25
Figure 2: Non-retail sales volume and forecast of beer, China, 2015-25
- **A close-to RMB200 billion market can be anticipated in the next five years**
Figure 3: Retail value sales and forecast of beer, China, 2015-25
- **Impact of COVID-19 on beer consumption**
Figure 4: Short, medium and long-term impact of COVID-19 on the beer market, December 2020
- **Companies and brands**
- **Heavyweights dominate the beer market in value terms**
Figure 5: Leading brands' shares of the retail value market, China, 2018-20
- **Hard seltzer is expected to become a household product**
Figure 6: Shares of flavours of new beer launches, top ten flavours, China, 2014-20
Figure 7: Share of new launches in hard seltzer, Global, 2017-20
- **Brands ramp up presence at the foodservice channel by opening self-branded bistros**
- **Beer brands turn to herbal ingredients to put on a natural image**
- **The consumer**
- **Beer purchase habits remain fixed and static**
Figure 8: Usage of beer and other alcoholic drinks, September 2020
- **Limited beer knowledge**
Figure 9: Knowledge towards beer, September 2020
- **C-stores on the rise for beer purchases while alcohol chain stores attract adept beer drinkers**
Figure 10: Purchase channel, September 2020

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

- **Brands need to capitalize on the mindset of “drinking to cheer up”**

Figure 11: Consumption purpose, September 2020

- **Premiumisation is associated with quality ingredients**

Figure 12: Premium attributes, September 2020

- **Develop more flavourful beer to satisfy consumers**

Figure 13: Attitudes towards beer, September 2020

- **What we think**

ISSUES AND INSIGHTS

- **Blur the line between beer and casual daily beverage to join a bigger market**

- **The facts**

- **The implications**

- **Diversify marketing strategies with a focus on companionship**

- **The facts**

- **The implications**

Figure 14: Examples of self-branded beer from Run the Jewels

- **Create communities of adept beer drinkers and encourage premium purchases**

- **The facts**

- **The implications**

Figure 15: Examples of beer drinking sharing workshops

THE MARKET – WHAT YOU NEED TO KNOW

- **Premiumisation is a key pillar bolstering growth**
- **Health-aware consumers resort to low-ABV beer**
- **COVID-19 shifted on-trade beer drinking back home**

MARKET SIZE AND FORECAST

- **Slight rebound in retail volume in 2020 is unlikely to endure**

Figure 16: Retail sales volume and forecast of beer, China, 2015–25

Figure 17: Non-retail sales volume and forecast of beer, China, 2015–25

- **Value sales will approach RMB200 billion in the next five years**

Figure 18: Retail value sales and forecast of beer, China, 2015–25

MARKET FACTORS

- **Escalating health concern will fuel the growth of flavourful, low-ABV beer**

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

- **COVID-19 halted out-of-home beer consumption occasions**
- **COVID-19 has accelerated in-home drinking for relaxation**
- **Duty impositions on Australian barley entail uncertainty**

MARKET SEGMENTATION

- **Standard beer continues to be the dominant product**
Figure 19: Share of beer value sales, by segment, China, 2015-20
Figure 20: Retail value sales and forecast of standard beer, China, 2015-25
- **Niche beer drinks are projected to impact more consumers**
Figure 21: Retail value sales and forecast of strong beer, China, 2015-25
Figure 22: Retail value sales and forecast of low and no alcohol beer, China, 2015-25

KEY PLAYERS – WHAT YOU NEED TO KNOW

- **Heavyweights manage to secure their dominance**
- **Dominant players further expand their business boundaries**
- **Low-calorie hard seltzer's development in full gear**

MARKET SHARE

- **Leading brands estimated to account for 96.5% of retail value in 2020**
Figure 23: Leading brands' shares of the retail value market, China, 2018-2020

COMPETITIVE STRATEGIES

- **Craft beer's advantages in taste and quality can be maximized with the help of big names**
Figure 24: AB InBev's craft beer brand Boxing Cat
- **Collaboration between small breweries sparks consumer interest**
Figure 25: 8*8 craft beer brewery plan
- **Brands march into foodservice venues and diversify revenue channels**
Figure 26: Tsingtao 1903 bistro & AB InBev Red 186 bistro
- **Highlight beer's function as a mood-soothing solution**
Figure 27: Saison de Lis Belgian Style Ale Brewed with Chamomile Flowers, USA, 2019
Figure 28: Green Tea, Jasmine and Bergamot Flavoured Alcohol Free Beverage, Poland, 2019

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

WHO'S INNOVATING?

- **New launches of hard seltzer on a dramatic rise**
Figure 29: Shares of flavours of new beer launches, China, top ten flavours, 2014-20
Figure 30: Shares of new launches in hard seltzer, Global, 2017-20
Figure 31: Social Club hard seltzer, USA, 2020
Figure 32: Corona Hard Seltzer, USA, 2020
Figure 33: Vizzy, USA, 2020
- **Fervent cross-over product innovation within the F&D realm**
Figure 34: HEYTEA & Le Le Cha's respective collaborations with Corona & Tsingtao Brewery
Figure 35: Black Hard Cold Brew Coffee, USA, 2020
- **Expand consumers base and intensify brand recognition beyond the F&D realm**
Figure 36: Heineken's sponsorship of the US Open and Shanghai Masters
Figure 37: Harbin Brewery * LPL & Tsingtao Brewery * Karl Lagerfeld

THE CONSUMER – WHAT YOU NEED TO KNOW

- **Consumers' beer selection tends to be quite narrow**
- **"Drinking to cheer up" hints at potential change in marketing**
- **Consumers associate premiumisation with quality ingredients**

USAGE OF BEER AND OTHER ALCOHOLIC DRINKS

- **Regular beer continues to dominate consumers' beer purchase**
Figure 38: Usage of beer and other alcoholic drinks, September 2020
- **High price might be the top concern for craft beer purchases**
Figure 39: Usage of craft beer, by monthly personal income, September 2020
Figure 40: Usage of craft beer, by age groups, September 2020
- **Interested consumers bode well for niche alcoholic drinks**
Figure 41: Usage of hard seltzer, by gender, September 2020
Figure 42: Usage of cider, by gender, September 2020

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

KNOWLEDGE TOWARDS BEER

- **Consumers are not sure of the distinction between ale and lager**

Figure 43: Knowledge towards beer, September 2020

Figure 44: Knowledge towards beer, September 2020

- **Adept drinkers consume more, especially craft beer**

Figure 45: Overall consumers' usage of regular and craft beer, September 2020

Figure 46: Adept drinkers' usage of regular and craft beer, September 2020

PURCHASE CHANNEL

- **Consumers resort to retail channels for beer purchases amid COVID-19**

Figure 47: Purchase channel, September 2020

- **On-trade channels rebound well in spite of the COVID-19 outbreak**

Figure 48: On-trade purchase channels, September 2020

Figure 49: Purchase channel of entertainment venues, by age groups, September 2020

- **Enhance cooperation with online channels to increase user traffic**

Figure 50: Purchase channel of food delivery platforms and WeChat Weidians, by region, September 2020

- **Potential for trade-up among adept beer drinkers**

Figure 51: Purchase channel of overall consumers & adept consumers, September 2020

CONSUMPTION PURPOSE

- **Branding and marketing strategies need to address emotional wellbeing**

Figure 52: Consumption purpose, September 2020

Figure 53: AB InBev's advertisement

Figure 54: Consumers who regard beer drinking as one of their habits, by age, September 2020

- **Beer seen as a celebratory drink for young consumers**

Figure 55: Consumption purpose of "to celebrate special occasions", by age, September 2020

PREMIUM ATTRIBUTES

- **Quality ingredients are most likely to trigger premiumisation**

Figure 56: Premium attributes, September 2020

- **Admiration for international brands dialled down**

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

- **Females are willing to pay more for low-calorie beer with a mild taste**

Figure 57: Premium attributes of low calories and low bitterness, by gender, September 2020

ATTITUDES TOWARDS BEER

- **On-trade venues point consumer traffic towards retail end**

Figure 58: Attitudes towards beer, September 2020

- **Domestic consumers are curious about a new beer tastes**

Figure 59: Attitudes towards beer, by company type, September 2020

- **Online promotions may turn out to be more effective**

Figure 60: Purchase channel of overall consumers & price sensitive consumers, September 2020

APPENDIX – MARKET SIZE AND FORECAST

Figure 61: Retail volume sales and forecast of beer, China, 2015–25

Figure 62: Non-retail volume sales and forecast of beer, China, 2015–25

Figure 63: Retail value sales and forecast of beer, China, 2015–25

APPENDIX – MARKET SEGMENTATION

Figure 64: Retail value sales and forecast of standard beer, China, 2015–25

Figure 65: Retail value sales and forecast of strong beer, China, 2015–25

Figure 66: Retail value sales and forecast of low and no alcohol beer, China, 2015–25

APPENDIX – METHODOLOGY AND ABBREVIATIONS

- **Methodology**
- **Abbreviations**

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100



About Mintel

Mintel is the **expert in what consumers want and why**. As the world's leading market intelligence agency, our analysis of consumers, markets, product innovation and competitive landscapes provides a unique perspective on global and local economies. Since 1972, our predictive analytics and expert recommendations have enabled our clients to make better business decisions faster

Our purpose is to help businesses and people grow. To find out how we do that, visit **[mintel.com](https://www.mintel.com)**.